# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:2068
ANSWERED ON:03.08.2001
FIXATION OF SUGAR QUOTA
RAMJI LAL SUMAN

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether the Government fix the quota of sugar for the purpose of sale;

(b) if so, whether the Government have laid down any standing rules and norms to fix the above quota;

(c) if so, the details thereof;

(d) whether the Government can enhance or reduce this quota;

(e) if so, the quantum of sugar quota fixed for sale during each month from January, 2001 to June, 2001; and

(f) the months in which prices of sugar went up due to uncertainty in the fixation of quantum of sugar quota?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( S SREENIVASA PRASAD )

(a): Yes, Sir.

(b)&(c): Monthly quota of levy sugar meant for distribution through the Public Distribution System (PDS) is being allotted at a fixed norm of 500 gms. per capita per month to BPL families in all States/UTs except in North Eastern States, Hill States and Island Territories where the levy sugar is supplied to the entire population at a norm of allocation of 700 gms. per capita per month. However, there are certain States/UTs viz. Andaman & Nicobar Islands, Chandigarh, Delhi, Lakshdweep, Pondicherry, where the levy sugar is being allotted at a higher rate due to special circumstances prevailing there.

As regards the freesale quota, it is announced on quarterly basis. The quantum of monthly freesale quota is decided having regard to production, stocks, requirement, availability of alternative sweetening agents like Gur and Khandsari etc, price trend etc.

(d)&(e): Once the levy sugar quota is fixed on certain norms, no change is made till there is a change in the policy regarding distribution of levy sugar. As regards freesale sugar, the monthly quota as already announced is not reduced. However, if there is any abnormal increase in prices in the open market, Government of India can always make an additional releases(s) to bring the prices under control. Besides, advance releases of freesale sugar, subject to adjustment and levy obligations at certain percentages are also made to needy sugar factories for the purpose of payment of cane price dues/arrears, etc. Government also allows, as temporary relief, converting unlifted levy sugar stocks for long period into freesale sugar without reducing the levy obligations.

The details of the levy and freesale quota released during each month from January 2001 June, 2001 are at Annexure.

(f): Monthly freesale quotas of sugar have been announced timely and hence there was no uncertainity in fixation of monthly freesale quota. Moreover, the prices of freesale sugar have remained more or less steady during January to June, 2001.

ANNEXURE

ANNEXURE REFFERED TO IN REPLY PARTS (d) & (e) OF UNSTARED QUESTION NO. 2068 DUE FOR ANSWER ON 3-8-2001 IN THE LOK SABHA

QUANTUM OF SUGAR QUOTA RELEASED FOR SALE FROM JANUARY TO JUNE 2001.

(Qty. in lakh tonnes)

| Month | Freesale sugar | Levy sugar |
|---|---|---|

January, 2001  8.25+0.02$  4.25
February, 2001  8.50+0.03$  4.21
March, 2001  9.00+0.26$  2.18
April, 2001  10.50+0.45$+0.21++ 2.18
May, 2001  11.00+0.39$+0.22++ 2.19
June, 2001  10.50+0.02$  2.19

% Release of advance freesale sugar

++ Conversion of unlifted levy sugar of long period into freesale sugar.